

TOWN OF PORT HAWKESBURY
PORT HAWKESBURY, NOVA SCOTIA
F I N A N C I A L S T A T E M E N T S
DECEMBER 31, 1985

TOWN OF PORT HAWKESBURY
CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 1985

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AUDITORS' REPORT

His Worship the Mayor and
Members of the Council
Town of Port Hawkesbury
PORT HAWKESBURY, Nova Scotia

We have examined the consolidated balance sheet of the Town of Port Hawkesbury as at December 31, 1985, and the consolidated statements of operations and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Town of Port Hawkesbury as at December 31, 1985, and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia Municipalities applied on a basis consistent with that of the preceding year.

PORT HAWKESBURY, Nova Scotia
February 12, 1986

Smith, Samson & Mollon
Registered Municipal Auditors

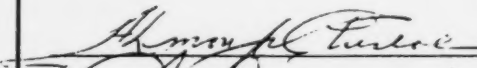
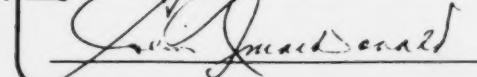
TOWN OF PORT HAWKESBURY
CONSOLIDATED BALANCE SHEET
DECEMBER 31, 1985

	<u>ASSETS</u>	<u>1985</u>	<u>1984</u>
Current			
Cash		\$ 676,150	\$ 647,796
Receivables: Taxes and Rates		246,551	386,143
Other		239,695	252,790
Inventory of goods and supplies, at cost		25,808	66,281
Deferred expenditures		21,597	16,981
		<u>1,209,801</u>	<u>1,369,991</u>
Restricted funds, at cost		873,135	1,073,605
Vested property		11,253	3,836
Discount on debentures		16,584	18,189
Property and equipment (Note 3)		<u>20,958,523</u>	<u>20,001,383</u>
		<u>\$23,069,296</u>	<u>\$22,467,004</u>

	<u>LIABILITIES</u>		
Current			
Payables and accruals		\$ 355,258	\$ 454,651
Valuation allowances		226,064	318,710
Deferred revenue		50,071	56,040
Long term debt payable within one year		525,337	521,945
		<u>1,156,730</u>	<u>1,351,346</u>
Cost of capital projects not permanently funded			
Accounts payable		8,041	8,041
Long term debt (Note 4)		<u>5,392,293</u>	<u>5,917,630</u>
Deferred assistance		<u>6,230</u>	

	<u>EQUITY</u>		
Reserve funds (Note 5)		1,386,910	1,285,951
Investment in capital assets (Note 6)		15,092,740	13,879,836
Surplus (Note 7)		26,352	24,200
		<u>16,506,002</u>	<u>15,189,987</u>
		<u>\$23,069,296</u>	<u>\$22,467,004</u>

ON BEHALF OF THE TOWN OF PORT HAWKESBURY

 MAYOR
 CLERK

TOWN OF PORT HAWKESBURY
CONSOLIDATED STATEMENT OF OPERATIONS
YEAR ENDED DECEMBER 31, 1985

	<u>1985</u>	<u>1984</u>
Revenue		
Taxes	\$ 1,624,258	\$ 1,665,795
Grants-in-lieu of taxes	95,433	94,656
Sales of goods and services	374,562	279,124
Other revenue from own sources	182,688	179,169
Unconditional transfers from other governments	407,057	452,547
Conditional transfers from other governments	1,427,955	1,481,440
Transfers from own reserves	7,034	9,737
	<u>4,118,987</u>	<u>4,162,468</u>
Expenditure		
General government services	396,353	386,270
Protection	257,920	254,289
Transportation	493,442	443,664
Environmental Health	245,097	249,037
Environmental Development	1,910	9,056
Public Health and Welfare services	409,457	347,507
Recreation and cultural services	265,392	248,020
Education	362,810	387,190
Water transmission and purification	203,096	155,944
Debt charges and servicing	1,204,867	1,337,165
Capital expenditures out of revenue	66,759	49,524
Transfers to other governments and agencies	92,050	97,079
Transfer to own reserve funds and agencies	110,648	198,406
	<u>4,109,801</u>	<u>4,163,151</u>
Excess (deficiency) of revenue over expenditure	<u>\$ 9,186</u>	<u>\$ (683)</u>
Analysis of surplus (deficit) by source		
General section	\$ 6,005	\$ 7,034
Water utility	<u>3,181</u>	<u>(7,717)</u>
	<u>\$ 9,186</u>	<u>\$ (683)</u>

TOWN OF PORT HAWKESBURY

CONSOLIDATED STATEMENT OF CHANGES IN FINANCIAL POSITION

YEAR ENDED DECEMBER 31, 1985

	1985	1984
Working capital derived from		
Operations		
Excess (deficiency) of revenue over expenditure	\$ 9,186	\$ (683)
Prior year's surplus included in revenue	(7,034)	(9,737)
Capital expenditures out of revenue	62,968	49,524
Depreciation	34,413	34,296
Amortization of deferred assistance	(84)	
Interest earned and retained in reserve fund	98,759	119,863
Term debt retired	521,945	621,841
Term repayment to reserve funds	132,336	41,230
	<u>852,489</u>	<u>856,334</u>
Proceeds from disposal of		
Land	76,969	17,840
Equipment	30,003	
Capital grants	429,444	603,270
Tax refunds on capital equipment	14,358	2,089
Reduction of restricted funds	200,470	39,275
	<u>1,603,733</u>	<u>1,518,808</u>
Working capital applied to		
Property and equipment acquired	1,036,553	834,019
Reduction in long term debt	525,337	521,945
Increase in vested property	7,417	
Decrease in payable - capital equipment		30,262
	<u>1,569,307</u>	<u>1,386,226</u>
Increase in working capital	34,426	132,582
Working capital (deficiency), beginning of year	<u>18,645</u>	<u>(113,937)</u>
Working capital, end of year	<u>\$ 53,071</u>	<u>\$ 18,645</u>

TOWN OF PORT HAWKESBURY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

1. Accounting policies

(a) Principles and basis of consolidation

These financial statements are presented to provide the reader with an overview of the Town of Port Hawkesbury's total financial operations. It is recommended that for a detailed review and analysis, the reader refer to separate financial statements for each of the various funds.

The principles of consolidation of the accounts of the Town have been prescribed by the Province of Nova Scotia and have been followed in all material respects.

(b) Basis of accounting

The financial statements have been prepared using the modified accrual basis of accounting. Major revenue and expenditure items are recorded on the accrual basis except for certain sources of revenue, including interest on past due taxes, are recorded on a cash basis and principal and interest payments relating to long term debt are recorded as an expense when paid.

(c) Property and equipment

Capital assets and projects in progress are recorded at cost. Interest incurred during construction on significant capital projects has been capitalized. Such interest was calculated at the prevailing prime rate for projects temporarily funded by general or water utility operations. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness, except for Water Utility capital assistance after January 1, 1985, which is treated as deferred assistance and is amortized on the same basis as the related assets are depreciated in accordance with the requirements of Public Utilities Board, are treated as additions to the Investment in Capital Assets.

The Town of Port Hawkesbury does not record depreciation on its property and equipment, except in the Water Capital Fund where depreciation is calculated based on a formula prescribed by the Public Utilities Board. The depreciation charge (net of amortization) in the Water Operating Fund is transferred to a special bank account in the Water Capital Fund which is used to help fund replacement of existing plant and equipment.

TOWN OF PORT HAWKESBURY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

2. Contributions to Boards and Commissions

Non-Consolidated Boards

The Town of Port Hawkesbury is required to finance operations of the Joint Expenditure Board along with the municipality of Inverness County to the extent of its participation based on assessment or population formula.

The Town of Port Hawkesbury is required to finance operations of the Eastern Counties Regional Library Board along with the other municipal units of Inverness, Richmond and Guysborough counties.

In addition to any budgeted contributions, the Municipal Units share in the deficits or surpluses of these Boards, based on their sharing percentages. A Municipal Unit's share of the deficit is to be paid in the next fiscal year while a surplus is to be taken into the next year's estimates.

The Town of Port Hawkesbury is required to finance operations of the Port Hawkesbury Housing Authority along with Government of Canada agencies and the Province of Nova Scotia.

- Joint Expenditure Board - 25.2% Interest

In 1985, the Town of Port Hawkesbury incurred \$49,585 (1984 - \$57,239) as its share of operations for the Joint Expenditure Board which administers the law enforcement facilities in Inverness County. At December 31, 1985, the Board had a NIL (estimated) balance in its surplus account.

- Regional Library - 8.127% Interest

During 1985, the Town of Port Hawkesbury paid \$39,115 (1984 - \$36,490) to the Regional Library. At December 31, 1985, the Library had a NIL (estimated) balance in its surplus account.

- Port Hawkesbury Housing Authority

During 1985, the Town of Port Hawkesbury incurred \$35,586 (1984 - \$26,716) to the Port Hawkesbury Housing Authority to provide its estimated share of the current years' deficit. At December 31, 1985, the share of the 1985 deficit which must be paid by the Town of Port Hawkesbury in 1986 amounts to \$22,533 (accrued as \$26,000).

TOWN OF PORT HAWKESBURY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1985

3. Property and Equipment	<u>1985</u>	<u>1984</u>
Cost		
Land and buildings	\$ 9,066,254	\$ 9,015,387
Machinery and equipment	6,129,909	5,847,141
Street improvements and paving	3,265,132	2,999,424
Other infra-structure	<u>3,033,042</u>	<u>2,640,832</u>
	21,494,337	20,502,784
Accumulated depreciation	<u>535,814</u>	<u>501,401</u>
Net book value	<u>\$20,958,523</u>	<u>\$20,001,383</u>
4. Long term debt		
6 7/8% to 10% sewer loans maturing between 1985 and 2000	\$ 1,285,711	\$ 1,409,656
5-3/4% to 10% water loans maturing between 1985 and 1995	832,000	933,000
8% to 11-3/4% school loans maturing between 1986 and 2003	3,748,919	4,032,919
8% street loan maturing in 1988	30,000	40,000
8-1/4% dump loan maturing in 1992	<u>21,000</u>	<u>24,000</u>
	5,917,630	6,439,575
Less: Amount due within one year	<u>525,337</u>	<u>521,945</u>
	<u>\$ 5,392,293</u>	<u>\$ 5,917,630</u>

Principal repayments required during the next five years as follows:

1986 - \$525,337	1989 - \$517,331
1987 - \$528,039	1990 - \$531,332
1988 - \$531,084	

All long term debts outstanding as at year end have been properly authorized by the Department of Municipal Affairs.

TOWN OF PORT HAWKESBURY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 1985

5. Reserve Fund	<u>1985</u>	<u>1984</u>
Balance, beginning of year	\$ 1,285,951	\$ 1,347,470
Interest on investments and savings	98,759	119,863
Gain on sale of land and options	76,969	17,840
	<u>175,728</u>	<u>137,703</u>
	1,461,679	1,485,173
Funds transferred to General Capital to purchase capital assets	74,769	199,222
Balance, end of year	<u>\$ 1,386,910</u>	<u>\$ 1,285,951</u>
6. Investment in Capital Assets		
Balance beginning of year	<u>\$13,879,836</u>	<u>\$12,367,763</u>
Interest income	36,716	36,984
Term debt retired	521,945	621,841
Tax refund on Capital Projects	14,358	2,089
Term repayment to reserve fund	132,336	41,230
Capital expenditure from revenue	26,252	12,540
Grants for capital purposes	423,130	603,270
Contribution from special reserve	74,769	199,222
	<u>1,229,506</u>	<u>1,517,176</u>
	15,109,342	13,884,939
Loss of disposal of capital assets	14,997	
Amortization of debenture discount	1,605	5,103
	<u>16,602</u>	<u>5,103</u>
Balance, end of year	<u>\$15,092,740</u>	<u>\$13,879,836</u>

TOWN OF PORT HAWKESBURY
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

7. Surplus	<u>1985</u>	<u>1984</u>
Balance, beginning of year	\$ 24,200	\$ 34,620
Excess of revenue over expenditure	<u>9,188</u>	<u> </u>
	33,388	34,620
Excess of expenditure over revenue	<u> </u>	683
Transfer to revenue	<u>7,034</u>	<u>9,737</u>
	7,034	10,420
Balance, end of year	<u>\$ 26,354</u>	<u>\$ 24,200</u>
Allocation of surplus		
Unrestricted	<u>\$ 26,354</u>	<u>\$ 24,200</u>

8. Commitments

On January 1, 1982, the Town of Port Hawkesbury joined with the Municipality of Inverness County to form the Inverness District School Board. Under the agreement, all school buildings on hand at December 31, 1981, will remain assets of the town but will be under operational control of the District School Board until such time as the Board no longer require the assets for school purposes. At that time, control will revert back to the town.

The long term debt outstanding on school capital assets at December 31, 1981, remains a debt of the municipality but a separate agreement has been signed with the Province of Nova Scotia whereby a grant will be paid annually to the town equal to 100% of the principal and interest cost related to the debt.

TOWN OF PORT HAWKESBURY
NON - CONSOLIDATED
FINANCIAL STATEMENTS
DECEMBER 31, 1985

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AUDITORS' REPORT

His Worship the Mayor and
Members of the Council
Town of Port Hawkesbury
PORT HAWKESBURY, Nova Scotia

We have examined the Operating Fund and Capital Fund Balance Sheets of the General Fund, the Water Utility and Special Funds of the Town of Port Hawkesbury as at December 31, 1985, and the related statements of operations and capital financing for the year then ended and have obtained all the information and explanations we have required. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Town of Port Hawkesbury as at December 31, 1985, and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles adopted for Nova Scotia municipalities applied on a basis consistent with that of the preceding year.

PORT HAWKESBURY, Nova Scotia
February 12, 1986

Smith, Samson & Mollon
Registered Municipal Auditors

TOWN OF PORT HAWKESBURY

GENERAL SECTION

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

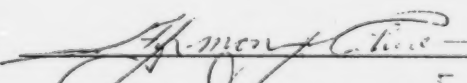
Revenue	Page	1985		1984
		Budget	Actual	Actual
Taxes	9	\$ 1,710,915	\$ 1,686,306	\$ 1,727,843
Grants in lieu of taxes	9	94,698	95,433	94,656
Sales of goods and services	10	119,600	137,710	108,707
Other revenue from own sources	10	105,500	145,972	142,185
Unconditional transfers from other governments	10	408,007	407,057	452,547
Conditional transfers from Federal and Provincial governments and agencies	10 - 11	1,314,067	1,283,475	1,313,616
Other transfers	11	7,034	7,034	9,737
		<u>3,759,821</u>	<u>3,762,987</u>	<u>3,849,291</u>
<u>Expenditures</u>				
General government services	11	\$ 367,972	\$ 335,193	\$ 325,204
Protection services	12	399,962	393,280	397,413
Transportation services	12	466,590	493,442	443,664
Environmental Health Services	13	269,597	245,097	249,037
Environmental Development Services	13		1,910	9,056
Public Health & Welfare Services	13	447,700	409,457	347,507
Recreation, Cultural Services and Education	13	253,514	265,392	248,020
Fiscal Services	14	1,554,486	1,613,206	1,822,356
		<u>3,759,821</u>	<u>3,756,982</u>	<u>3,842,257</u>
Excess of revenue over expenditures		<u>\$ Nil</u>	<u>\$ 6,005</u>	<u>\$ 7,034</u>

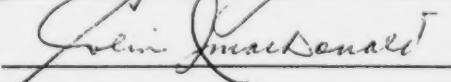
TOWN OF PORT HAWKESBURY
GENERAL SECTION
OPERATING FUND BALANCE SHEET
DECEMBER 31, 1985

ASSETS

	<u>1985</u>	<u>1984</u>
Cash	<u>\$122,958</u>	<u>\$137,675</u>
Receivables		
Taxes (Note 2)	225,484	358,046
Due from federal government and its agencies		
Grants in lieu of taxes		5,548
Conditional transfers	10,288	6,160
Due from provincial government and its agencies		
Conditional transfers	214,023	204,344
Due from own funds and agencies		
General capital fund		3,790
Water Utility revenue fund	6,596	34,822
Other receivables		
Sewer rates and other	<u>5,267</u>	<u>1,040</u>
	<u>461,658</u>	<u>613,750</u>
Tangible assets		
Inventories of materials and supplies, at cost	16,527	31,380
Properties acquired at tax sale	<u>11,253</u>	<u>3,836</u>
	<u>27,780</u>	<u>35,216</u>
Other assets		
Deferred expenditures	<u>21,597</u>	<u>16,980</u>
	<u>\$633,993</u>	<u>\$803,621</u>

ON BEHALF OF THE TOWN OF PORT HAWKESBURY

 MAYOR

 CLERK

LIABILITIES

	<u>1985</u>	<u>1984</u>
Payables		
Trade accounts	<u>\$351,853</u>	<u>\$421,837</u>
Other liabilities		
Deferred revenue - other	<u>50,071</u>	<u>56,040</u>
Asset valuation allowances		
For uncollectible taxes and rates (Note 3)	225,484	317,670
For other doubtful receivables (Note 4)	<u>580</u>	<u>1,040</u>
	<u>226,064</u>	<u>318,710</u>

EQUITY

Surplus (Note 5)	<u>6,005</u>	<u>7,034</u>
	<u>\$633,993</u>	<u>\$803,621</u>

TOWN OF PORT HAWKESBURY
GENERAL CAPITAL FUND BALANCE SHEET

DECEMBER 31, 1985

ASSETS

	<u>1985</u>	<u>1984</u>
Cash	\$ 18,217	\$ 46,542
Receivables		
Due from federal government and its agencies		21,480
Due from provincial government and its agencies		9,649
Discount of debentures, at unamortized cost	5,205	5,869
Property and equipment, at cost	<u>10,915,881</u>	<u>9,933,108</u>
	<u>\$10,939,303</u>	<u>\$10,016,648</u>

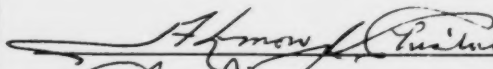
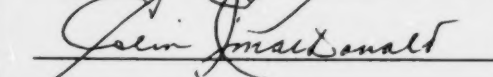
LIABILITIES

Construction accounts payable	\$ 8,041	\$ 8,041
Due to general operating fund		<u>3,790</u>
Payables		
Due to federal government and its agencies		27,351
Due to special reserve fund	<u>503,658</u>	<u>202,229</u>
Term debt (Note 7)		
Debentures issued to Federal Government or its agencies		
Canada Mortgage and Housing Corporation	414,711	432,656
Other debentures	<u>922,000</u>	<u>1,041,000</u>
	<u>1,336,711</u>	<u>1,473,656</u>

EQUITY

Investment in capital assets	<u>9,090,893</u>	<u>8,301,581</u>
	<u>\$10,939,303</u>	<u>\$10,016,648</u>

ON BEHALF OF THE TOWN OF PORT HAWKESBURY

 MAYOR
 CLERK

TOWN OF PORT HAWKESBURY

GENERAL FUND

STATEMENT OF INVESTMENT IN CAPITAL ASSETS

DECEMBER 31, 1985

	1985	1984
Balance, beginning of year	<u>\$ 8,301,581</u>	<u>\$ 7,226,666</u>
Term debt retired	136,945	220,724
Term repayment to reserve funds	132,336	41,230
Capital expenditure from general revenue fund	23,786	12,540
Sales tax refund	14,007	2,089
Grants for capital purposes		
Department of Employment & Immigration	42,100	
Department of Recreation	13,232	34,100
Mainstreet Program	2,087	144,938
Department of Transport	54,531	122,584
Department of Development	149,232	95,576
Strait of Canso Industrial Development Authority	161,948	206,072
Contribution from special reserve	74,769	199,223
	<u>804,973</u>	<u>1,079,076</u>
	<u>9,106,554</u>	<u>8,305,742</u>
Amortization of debenture discount	664	4,161
Loss on disposal of capital assets	14,997	
	<u>15,661</u>	<u>4,161</u>
Balance, end of year	<u>\$ 9,090,893</u>	<u>\$ 8,301,581</u>

TOWN OF PORT HAWKESBURY

GENERAL CAPITAL

PROPERTY AND EQUIPMENT

DECEMBER 31, 1985

	1985				1984
	Buildings	Plant Equipment	Other	Total	Total
General Government Services	\$ 38,586	\$ 81,437	\$ 71,379	\$ 191,402	\$ 180,762
Protective Services					
Police		3,134		3,134	3,134
Fire	333,250	211,223		544,473	449,566
Transportation Services					
Road Transport	132,471	233,770		366,241	288,048
Streets/Sidewalks			3,238,432	3,238,432	2,972,725
Street Lighting		2,549		2,549	2,549
Approaches			26,699	26,699	26,699
Air Transport					
Airport		237,860	1,718,177	1,956,037	1,816,953
Environmental Health Services					
Sewage collection and Disposal		3,186,386		3,186,386	3,132,644
Environmental Development Services					
Industrial Park			919,252	919,252	612,140
Granville Street Redevelopment			323,233	323,233	316,973
Recreation and Community Services					
Playgrounds		55,990		55,990	28,862
Tennis		81,328		81,328	81,328
Maintenance Vehicles		19,725		19,725	19,725
Trotting Park			1,000	1,000	1,000
	<u>\$ 507,307</u>	<u>\$4,113,402</u>	<u>\$6,298,172</u>	<u>\$10,915,881</u>	<u>\$9,933,108</u>

TOWN OF PORT HAWKESBURY
GENERAL SECTION
SCHOOL CAPITAL FUND BALANCE SHEET
DECEMBER 31, 1985

ASSETS

	<u>1985</u>	<u>1984</u>
Unamortized discount on debentures	\$ 11,379	\$ 12,320
School buildings and grounds (Note 9)	1,301,204	1,301,204
Strait Area Education Recreation Centre	<u>6,650,927</u>	<u>6,650,927</u>
	<u>\$7,963,510</u>	<u>\$7,964,451</u>

LIABILITIES

Long term debt (Note 7)	\$3,748,919	\$4,032,919
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EQUITY

Investment in Capital Assets	<u>4,214,591</u>	<u>3,931,532</u>
	<u>\$7,963,510</u>	<u>\$7,964,451</u>

ON BEHALF OF THE TOWN OF PORT HAWKESBURY

Thomas J. Purcell Mayor

John Imatdonato Clerk

TOWN OF PORT HAWKESBURYGENERAL SECTIONSTATEMENT OF INVESTMENT IN SCHOOL CAPITAL FUND ASSETSDECEMBER 31, 1985

	<u>1985</u>	<u>1984</u>
Balance, beginning of year	\$3,931,532	\$3,651,357
Term debt retired	<u>284,000</u>	<u>281,117</u>
	4,215,532	3,932,474
Amortization of debenture discount	<u>941</u>	<u>942</u>
Balance, end of year	<u>\$4,214,591</u>	<u>\$3,931,532</u>

TOWN OF PORT HAWKESBURY

GENERAL SECTION

SCHEDULE TO STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	<u>1985</u>	<u>1984</u>
1. Taxes		
Assessable Property		
Residential	<u>\$ 758,649</u>	<u>\$ 730,605</u>
Commercial		
Based on Taxable Assessments	475,001	492,791
Based on Special Tax Agreements		
Atomic Energy of Canada Limited		48,000
Gulf Canada Limited	180,848	172,937
Nova Scotia Pulp Limited	<u>68,620</u>	<u>66,740</u>
	<u>724,469</u>	<u>780,468</u>
Resource		
Forest Property Tax		
(less than 50,000 acres)	8	8
Taxable Assessments	<u>13,318</u>	<u>13,818</u>
	<u>13,326</u>	<u>13,826</u>
Business Property		
Business Occupancy	147,168	161,216
Based on Revenue (M.T. & T.)	<u>27,385</u>	<u>26,474</u>
	<u>174,553</u>	<u>187,690</u>
Other		
Deed Transfer Tax	<u>15,309</u>	<u>15,254</u>
	<u>\$1,686,306</u>	<u>\$1,727,843</u>
2. Grants in Lieu of Taxes		
Federal Government	\$ 9,398	\$ 9,451
Federal Government Agencies		
Cape Breton Development Corporation	2,444	2,444
Canadian National Railway	5,562	5,548
Provincial Government		
Property of Supported Institutions	54,054	52,700
Provincial Government Agencies		
Liquor Commission	6,516	7,054
Power Corporation	<u>17,459</u>	<u>17,459</u>
	<u>\$ 95,433</u>	<u>\$ 94,656</u>

TOWN OF PORT HAWKESBURY

GENERAL SECTION

SCHEDULE TO STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
3. Sales of goods and services		
Recreation	\$ 107,365	\$ 94,870
Public Works	20,792	13,837
Airport	9,553	
	<u>\$ 137,710</u>	<u>\$ 108,707</u>
4. Other revenue from own sources		
Licenses	\$ 5,415	\$ 3,797
Fines & Fees	17,096	13,325
Interest on Investments	42,953	25,673
Interest on Taxes	73,209	95,672
Miscellaneous	7,299	3,718
	<u>\$ 145,972</u>	<u>\$ 142,185</u>
5. Unconditional transfers from other governments		
Provincial government		
Department of Transportation		
Ice Control and Snow Removal	\$ 10,100	\$ 10,100
Municipal Grants Act (Operating)	96,957	92,447
Municipal Grants Act		
Special Assistance	300,000	350,000
	<u>\$ 407,057</u>	<u>\$ 452,547</u>
6. Conditional transfers from federal and provincial governments and agencies		
Federal government agencies		
Cape Breton Development Corporation	\$ 21,431	\$ 30,508
Strait of Canso Industrial Development Authority	29,373	30,076
Canada Mortgage and Housing R.R.A.P.	2,910	6,160
Federal Works Grant	21,624	
	<u>75,338</u>	<u>66,744</u>
Provincial government		
Protective services		
Gun control	656	586
Emergency measures	250	
Transportation services	9,125	9,125
Social welfare services		
Administration and assistance	291,911	260,143

(continued on page 11)

TOWN OF PORT HAWKESBURY

GENERAL SECTION

SCHEDULE TO STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
6. (continued)		
Recreation and cultural services		
Recreation	\$ 20,084	\$ 21,504
Regional library	31,635	29,610
Debt charges		
Sewers	154,677	170,023
Streets	8,897	40,040
Schools	690,902	715,841
	<u>1,208,137</u>	<u>1,246,872</u>
	<u>\$1,283,475</u>	<u>\$1,313,616</u>
7. Other transfers		
Prior year's surplus	\$ 7,034	\$ 9,737
8. General government services		
Legislative		
Mayor	\$ 8,904	\$ 8,904
Council	30,608	30,608
Other legislative services	14,321	18,361
	<u>53,833</u>	<u>57,873</u>
General administrative		
Administrative	166,397	163,795
Financial management	12,569	21,290
Taxation		
Administration	19,707	15,675
Reduced taxation - widows	7,895	7,311
- section 25(A)	8,495	9,683
Common services	22,204	22,270
	<u>237,267</u>	<u>240,024</u>
Other general government services		
Elections	6,858	
Conventions	1,720	1,314
Grants to organizations and individuals	4,494	3,530
General liability insurance	5,018	6,638
Other general services	14,967	10,914
Intergovernmental relations	11,041	4,911
	<u>44,098</u>	<u>27,307</u>
	<u>\$ 335,198</u>	<u>\$ 325,204</u>

TOWN OF PORT HAWKESBURY

GENERAL SECTION

SCHEDULE TO STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
9. Protective services		
Police protection		
Administration	\$ 17,681	\$ 16,371
Crime investigation prevention and protective services	163,367	163,929
Traffic activities	14,261	14,822
Other	683	
	<u>195,992</u>	<u>195,122</u>
Fire protection		
Administration	4,719	3,334
Fire fighting force	16,558	15,725
Water supply & hydrants	135,360	143,124
Fire stations and buildings	18,433	17,194
Fire fighting equipment	10,196	6,649
Other	476	405
	<u>185,742</u>	<u>186,431</u>
Other		
Animal and pest control	11,546	15,860
	<u>\$ 393,280</u>	<u>\$ 397,413</u>
10. Transportation services		
Common services		
Administration	\$ 42,580	\$ 51,606
Engineering services	13,842	12,167
General equipment	1,175	540
Small tools & equipment	2,222	991
Workshop, yards & other buildings	10,694	7,471
Other	2,922	3,304
Liability insurance	2,474	2,434
Road transport		
Administration	12,445	11,555
Roads and streets	210,686	174,946
Street lighting	57,004	57,004
Traffic services	6,893	9,129
Motor vehicles	28,881	23,297
Other road transport	1,319	524
Air transport		
Administration	47,821	44,128
Airport	52,484	44,568
	<u>\$ 493,442</u>	<u>\$ 443,664</u>

TOWN OF PORT HAWKESBURYGENERAL SECTIONSCHEDULE TO STATEMENT OF OPERATIONSYEAR ENDED DECEMBER 31, 1985

	<u>1985</u>	<u>1984</u>
11. Environmental health services		
Sewage collection and disposal		
Administration	\$ 26,264	\$ 24,426
Sewage collection systems	23,495	26,327
Sewage treatment and disposal	60,617	66,180
Other sewage collection	8,461	8,495
Garbage and waste collection and disposal		
Garbage and waste collection	47,840	47,880
Landfill	78,420	75,729
	<u>\$ 245,097</u>	<u>\$ 249,037</u>
12. Environmental development services	<u>\$ 1,910</u>	<u>\$ 9,056</u>
13. Public health and welfare services		
Social welfare		
Administration	\$ 7,623	\$ 7,366
Assistance	229,566	221,918
Homes for special care	170,859	116,663
Child welfare	1,409	1,560
	<u>\$ 409,457</u>	<u>\$ 347,507</u>
14. Recreation and cultural services		
Administration	\$ 75,964	\$ 67,469
Parks, playgrounds and pool	189,428	180,551
	<u>\$ 265,392</u>	<u>\$ 248,020</u>

TOWN OF PORT HAWKESBURY

GENERAL SECTION

SCHEDULE TO STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985	1984
15. Fiscal services		
Debt charges		
Interest on long term debt		
Debenture interest	\$ 559,486	\$ 579,829
Principal installments		
Debenture principal	420,946	501,840
Other debt charges	2,689	3,472
Transfers to own reserves, fund and agencies		
Valuation allowances		
Uncollectible Taxes	(86,813)	105,000
Uncollectible receivables	(460)	460
Other funds		
Special Reserve Fund	132,335	41,230
General Capital Fund	27,577	12,540
Own Agencies		
Deficit of Housing Authority	35,586	26,716
Levy for Industrial Commission	30,000	25,000
Levy for Water Utility	37,000	42,000
Unconditional transfers to other governments and agencies		
Joint expenditure board	49,585	57,239
Conditional transfers to other governments and agencies		
Public health and welfare services		
Per capital hospital tax	3,350	3,350
Recreation and cultural services and education		
Regional Library	39,115	36,490
Appropriation to District School Board	362,810	387,190
	<u>\$1,613,206</u>	<u>\$1,822,356</u>

TOWN OF PORT HAWKESBURY

WATER UTILITY

STATEMENT OF OPERATIONS

YEAR ENDED DECEMBER 31, 1985

	1985		1984
	Budget	Actual	Actual
Operating revenue			
Metered sales	\$ 232,000	\$ 242,852	\$ 176,417
Public fire protection	135,360	135,360	143,124
	<u>367,360</u>	<u>378,212</u>	<u>319,541</u>
Operating expenditure			
Source of supply	9,600	8,579	8,694
Pumping	3,000	614	462
Water treatment	75,883	73,992	74,387
Transmission and distribution	95,800	125,911	78,401
Administrative and general	64,220	61,155	61,066
Depreciation	34,296	34,413	34,296
Taxes	62,048	62,048	62,048
	<u>344,847</u>	<u>366,712</u>	<u>319,354</u>
Operating profit	<u>22,513</u>	<u>11,500</u>	<u>187</u>
Non-operating revenue			
Interest on depreciation fund	38,000	36,716	36,984
Grants from Province of Nova Scotia	144,396	144,396	167,824
Transfer from Town General Revenue Fund	22,000	37,000	42,000
Amortization of deferred assistance		84	
	<u>204,396</u>	<u>218,196</u>	<u>246,808</u>
Non-operating expenditure			
Debt charges			
Principal	101,000	101,000	120,000
Interest	86,333	86,333	97,728
Capital expenditure out of revenue	37,822	39,182	36,984
	<u>225,155</u>	<u>226,515</u>	<u>254,712</u>
Excess (deficiency) of revenue over expenditure	<u>\$ 1,754</u>	3,181	(7,717)
Surplus, beginning of year		<u>17,166</u>	<u>24,883</u>
Surplus, end of year		<u>\$ 20,347</u>	<u>\$ 17,166</u>

TOWN OF PORT HAWKESBURYWATER UTILITYSCHEDULES TO STATEMENT OF OPERATIONSYEAR ENDED DECEMBER 31, 1985

	<u>1985</u>	<u>1984</u>
Source of supply		
Water purchases	\$ 8,579	\$ 8,694
	<u>\$ 8,579</u>	<u>\$ 8,694</u>
Pumping		
Power	\$ 614	\$ 371
Maintenance		91
	<u>\$ 614</u>	<u>\$ 462</u>
Water treatment		
Supervision and engineering	\$ 26,401	\$ 24,446
Supplies and expenses	44,852	46,017
Maintenance of equipment	2,739	3,924
	<u>\$ 73,992</u>	<u>\$ 74,387</u>
Transmission and distribution		
Supervision and engineering	\$ 24,517	\$ 22,890
Maintenance of mains	75,324	45,336
Maintenance of other distribution	18,692	4,175
Rents	7,378	6,000
	<u>\$ 125,911</u>	<u>\$ 78,401</u>
Administration and general		
Supervision	\$ 18,105	\$ 17,000
Consumer billings and accounting	26,985	31,141
Uncollectible accounts	5,000	1,000
Employee benefits	2,000	1,600
General office expenses	6,365	7,625
Audit	2,700	2,700
	<u>\$ 61,155</u>	<u>\$ 61,066</u>

TOWN OF PORT HAWKESBURY
WATER UTILITY
OPERATING FUND BALANCE SHEET
DECEMBER 31, 1985

ASSETS

	<u>1985</u>	<u>1984</u>
Receivables		
Rates (less allowance for doubtful accounts - \$8,800; 1984 - \$2,191)	\$ 21,067	\$ 22,551
Inventories, at cost (1985: over \$200 only)	<u>9,281</u>	<u>34,900</u>
	<u>\$ 30,348</u>	<u>\$ 57,451</u>

LIABILITIES

Consumer deposits	\$ 3,405	\$ 5,463
Payable to General Revenue fund	<u>6,596</u>	<u>34,822</u>
	<u>10,001</u>	<u>40,285</u>

EQUITY

Surplus	<u>20,347</u>	<u>17,166</u>
	<u>\$ 30,348</u>	<u>\$ 57,451</u>

ON BEHALF OF THE TOWN OF PORT HAWKESBURY

Almon F. Furt Mayor

John MacDonald Clerk

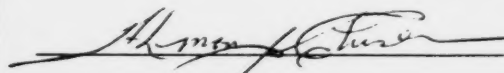
TOWN OF PORT HAWKESBURY
WATER UTILITY
CAPITAL FUND BALANCE SHEET
DECEMBER 31, 1985

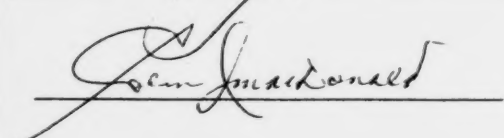
<u>ASSETS</u>	<u>1985</u>	<u>1984</u>
Cash		
Depreciation (Note 6)	\$ 534,975	\$ 463,579
Utility plant in service	<u>2,626,325</u>	<u>2,617,545</u>
	<u>\$3,161,300</u>	<u>\$3,081,124</u>

<u>LIABILITIES</u>		
Term debt (Note 7)		
Debentures	\$ 832,000	\$ 933,000
Deferred assistance (Note 8)	6,230	
Accumulated allowance for depreciation	<u>535,814</u>	<u>501,401</u>
	<u>1,374,044</u>	<u>1,434,401</u>

<u>EQUITY</u>		
Investments in capital assets	<u>1,787,256</u>	<u>1,646,723</u>
	<u>\$3,161,300</u>	<u>\$3,081,124</u>

ON BEHALF OF THE TOWN OF PORT HAWKESBURY

 Mayor

 Clerk

TOWN OF PORT HAWKESBURYWATER UTILITYUTILITY PLANT AND EQUIPMENTDECEMBER 31, 1985

	<u>1985</u>	<u>1984</u>
Intangible asset		
Working capital	\$ 3,500	\$ 3,500
Tangible plant		
Land and land rights		
Reservoir	1,100	1,100
Structure and improvements		
Source of supply	19,639	19,639
Purification structures	368,257	368,257
Distribution reservoirs and standpipes	217,323	217,323
Electric pumping equipment	11,879	11,879
Purification equipment	67,449	67,449
Transmission and distribution mains	1,763,009	1,754,229
Services	101,273	101,273
Meters	39,538	39,538
Hydrants	32,055	32,055
Tools and equipment	1,303	1,303
	<u>2,622,825</u>	<u>2,614,045</u>
	<u>\$2,626,325</u>	<u>\$2,617,545</u>

WATER UTILITYSTATEMENT OF INVESTMENT IN CAPITAL ASSETSYEAR ENDED DECEMBER 31, 1985

Balance, beginning of year	\$1,646,723	\$1,489,740
Term debt retired	101,000	120,000
Capital from revenue	2,466	
Interest income	36,716	36,983
Sales tax rebate	351	
Balance, end of year	<u>\$1,787,256</u>	<u>\$1,646,723</u>

TOWN OF PORT HAWKESBURYWATER UTILITYSCHEDULE OF CAPITAL PROJECTS FUNDING1985

	<u>Total Capital Cost</u>	<u>Capital Grants</u>	<u>Capital Out of Revenue</u>
Distribution mains	<u>\$ 8,780</u>	<u>\$ 6,314</u>	<u>\$ 2,466</u>

TOWN OF PORT HAWKESBURY
SPECIAL RESERVE FUND - CAPITAL RESERVE SECTION BALANCE SHEET
DECEMBER 31, 1985

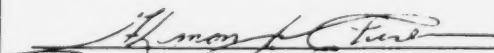
	<u>1985</u>	<u>1984</u>
<u>ASSETS</u>		
Cash	\$ 873,135	\$1,073,605
Receivable from Strait of Canso Community Recreation Centre	10,117	10,117
Loan receivable		
General Capital	<u>503,658</u>	<u>202,229</u>
	<u>\$1,386,910</u>	<u>\$1,285,951</u>
<u>RESERVES</u>		
Balance, end of year	<u>\$1,386,910</u>	<u>\$1,285,951</u>

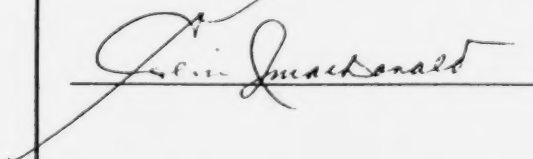
STATEMENT OF CAPITAL SECTION RESERVE

YEAR ENDED DECEMBER 31, 1985

Balance, beginning of year	\$1,285,951	\$1,347,470
Interest on investments and savings	98,759	119,863
Gain on sale of land and options	<u>76,969</u>	<u>17,840</u>
	1,461,679	1,485,173
Funds transferred to General Capital to purchase or service fixed assets	<u>74,769</u>	<u>199,222</u>
Balance, end of year	<u>\$1,386,910</u>	<u>\$1,285,951</u>

ON BEHALF OF THE TOWN OF PORT HAWKESBURY

 Mayor

 Clerk

TOWN OF PORT HAWKESBURYNOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTSDECEMBER 31, 1985

1. Accounting policies

These financial statements have been prepared to conform in all material respects to the accounting principles prescribed for Nova Scotia municipalities by the Department of Municipal Affairs, and for water utilities by the Board of Commissioners of Public Utilities.

(a) Revenue and expenditure

Major revenue and expenditure items are recorded on an accrual basis.

Certain sources of revenue including interest on past due taxes are recorded on a cash basis.

Principal and interest payments relating to long term debt are recorded as an expense when paid.

(b) Allowance for doubtful accounts

A valuation allowance is provided for (a) estimated losses that will be incurred in collecting water rates receivable outstanding, and (b) an amount equal to 100% of amounts receivable for taxes and sewer rates.

(c) Property and equipment

Capital assets and projects in progress are recorded at cost. Interest incurred during construction on significant capital projects has been capitalized. Such interest was calculated at the prevailing prime rate for projects temporarily funded by general or water utility operations. Funds received through capital assistance programs, cost sharing arrangements or loan forgiveness, except for Water Utility capital assistance after January 1, 1985, which is treated as deferred assistance and is amortized on the same basis as the related assets are depreciated in accordance with the requirements of Public Utilities Board, are treated as additions to the Investment in Capital Assets.

The Town of Port Hawkesbury does not record depreciation on its property and equipment, except in the Water Capital Fund where depreciation is calculated based on a formula prescribed by the Public Utilities Board. The depreciation charge (net of amortization) in the Water Operating Fund is transferred to a special bank account in the Water Capital Fund which is used to help fund replacement of existing plant and equipment.

TOWN OF PORT HAWKESBURY
NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 1985

1. Accounting policies (cont'd)

(d) Depreciation

Depreciation of fixed assets is recorded in the Water Capital Fund calculated on a formula prescribed by the Public Utilities Board. Depreciation is not recorded on fixed assets donated to the water utility after January 1, 1985.

The depreciation charge in the Water Operating Fund less amortization of deferred assistance is transferred to a special bank account in the Water Capital Fund which is used to help fund replacement of existing plant and equipment, or subject to approval by the Public Utilities Board, to repay principal of capital debt.

(e) Amortization

Capital assistance towards the acquisition of water utility fixed assets received after January 1, 1985 has been recorded as deferred assistance and is amortized to income on the same basis as the related fixed asset is depreciated. Approval has been obtained from the Public Utilities Board to exempt the utility from adjusting for any other assistance received prior to January 1, 1985. Such assistance has been credited to investment in capital assets in prior years.

(f) Allocation of municipal costs to water utility funds

Where identifiable, costs incurred by the Town of Port Hawkesbury on behalf of the water utility are charged to the utility funds. Salary and wage related costs are allocated in proportion to time spent performing functions on behalf of the water utility.

2. Taxes Receivable

		1985		1984
	Current Year	Prior Years	Total	Total
Balance, beginning of year		\$ 358,046	\$ 358,046	\$ 506,459
Current year's tax levy	<u>\$1,686,306</u>		<u>1,686,306</u>	<u>1,727,843</u>
	<u>1,686,306</u>	<u>358,046</u>	<u>2,044,352</u>	<u>2,234,302</u>
Deduct				
Current years collections	1,469,746	335,256	1,805,002	1,853,845
Write-offs	3,474	1,899	5,373	5,417
Reduced taxes	<u>8,493</u>		<u>8,493</u>	<u>16,994</u>
	<u>1,481,713</u>	<u>337,155</u>	<u>1,818,868</u>	<u>1,876,256</u>
Balance, end of year	<u>\$ 204,593</u>	<u>\$ 20,891</u>	<u>\$ 225,484</u>	<u>\$ 358,046</u>

TOWN OF PORT HAWKESBURY
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

3. Valuation allowance - uncollectible taxes	<u>1985</u>	<u>1984</u>
Balance, beginning of year	\$317,670	\$218,087
Add: provision for the year	<u>(86,813)</u>	<u>105,000</u>
	230,857	323,087
Deduct: uncollectible taxes written off	<u>5,373</u>	<u>5,417</u>
Balance, end of year	<u>\$225,484</u>	<u>\$317,670</u>
4. Valuation allowance - other doubtful receivables		
Balance, beginning of year	\$ 1,040	\$ 580
Add: provision for the year	<u>(460)</u>	<u>460</u>
Balance, end of year	<u>\$ 580</u>	<u>\$ 1,040</u>
5. Surplus - General Revenue Fund		
Balance, beginning of year	\$ 7,034	\$ 9,737
Excess of revenue over expenditure	<u>6,005</u>	<u>7,034</u>
	13,039	16,771
Transfer to revenue	<u>7,034</u>	<u>9,737</u>
Balance, end of year	<u>\$ 6,005</u>	<u>\$ 7,034</u>
6. Depreciation fund		
Cash, beginning of year	\$463,579	\$392,300
Add: Depreciation less amortization	34,329	34,296
Revenue Fund appropriation (interest)	36,716	36,983
Sales tax rebate	<u>351</u>	<u></u>
Cash, end of year	<u>\$534,975</u>	<u>\$463,579</u>

TOWN OF PORT HAWKESBURY
NOTES TO NON-CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 1985

7. Long term debt

Principal repayments required during the next five years are as follows:

	<u>General Capital</u>	<u>School Capital</u>	<u>Water Capital</u>	<u>Total</u>
1986	\$138,257	\$286,080	\$101,000	\$525,337
1987	139,664	287,375	101,000	528,039
1988	141,175	288,909	101,000	531,084
1989	123,625	292,706	101,000	517,331
1990	134,538	295,794	101,000	531,332

8. Deferred assistance

	<u>1985</u>	<u>1984</u>
Original assistance towards acquisition of fixed assets	\$ 6,314	
Accumulated amortization	<u>84</u>	
	<u>\$ 6,230</u>	

9. School capital fund

On January 1, 1982, the Town of Port Hawkesbury joined with the Municipality of Inverness County to form the Inverness District School Board. Under this agreement, all school buildings on hand at December 31, 1981 will remain assets of the town but will be under the operational control of the district school board until such time as the board no longer requires the assets for school purposes. At that time, control will revert back to the town.

The long term debt outstanding on school capital assets at December 31, 1981, remains a debt of the municipality but a separate agreement has been signed with the Province of Nova Scotia whereby a grant will be paid annually to the town equal to 100% of the principal and interest costs related to the debt.

TOWN OF PORT HAWKESBURY
SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT

DECEMBER 31, 1985

SERIAL DEBENTURES

	<u>DUE</u>	<u>Balance Jan. 1/85</u>	<u>Redeemed</u>	<u>Balance Dec 31/85</u>	<u>Interest</u>	<u>Interest Rate</u>
Streets	1988	\$ 40,000	\$ 10,000	\$ 30,000	\$ 3,200	8%
Sewers	1993	45,000	5,000	40,000	3,400	8%
	1993	196,000	22,000	174,000	16,660	8 1/2%
	1994	250,000	25,000	225,000	23,750	9 1/2%
	1995	220,000	20,000	200,000	21,000	10%
	1987	3,000	1,000	2,000	292	9 3/4%
	1991	32,000	4,000	28,000	2,800	8 3/4%
	1991	93,000	13,000	80,000	8,138	8 3/4%
	1992	12,000	2,000	10,000	990	8 1/4%
	1993	126,000	14,000	112,000	10,710	8 1/2%
	1995	42,510	2,532	39,978	3,469	8%
	1995	56,764	3,452	53,312	4,411	7 5/8%
	2000	333,382	11,961	321,421	23,314	6 7/8%
Dump	1992	24,000	3,000	21,000	1,980	8 1/4%
		<u>\$1,473,656</u>	<u>\$136,945</u>	<u>\$1,336,711</u>	<u>\$124,114</u>	

TOWN OF PORT HAWKESBURY
SCHEDULE OF CAPITAL DEBT CHARGES AND TERM DEBT

DECEMBER 31, 1985

SERIAL DEBENTURES

	<u>DUE</u>	<u>Balance Jan. 1/85</u>	<u>Redeemed</u>	<u>Balance Dec 31/85</u>	<u>Interest</u>	<u>Interest Rate</u>
Schools	1993	\$ 135,000	\$ 15,000	\$ 120,000	\$ 10,200	8%
	1993	153,000	17,000	136,000	13,005	8-1/2%
	1994	60,000	6,000	54,000	5,700	9-1/2%
	1991	53,000	7,000	46,000	4,638	8-3/4%
	1991	44,000	7,000	37,000	3,850	8-3/4%
	1986	134,000	67,000	67,000	49,545	10-1/2%
	1991	330,000		330,000		10-3/4%
	1987	150,000	50,000	100,000	13,875	9-1/4%
	1997	500,000		500,000	48,750	9-3/4%
	2003	1,330,000	70,000	1,260,000	133,000	10%
	2000	400,000	25,000	375,000	47,000	11-3/4%
	2000	743,919	20,000	723,919	77,336	10-2/5%
		<u>4,032,919</u>	<u>284,000</u>	<u>3,748,919</u>	<u>406,899</u>	
Water	1993	18,000	2,000	16,000	1,360	8%
	1993	56,000	6,000	50,000	4,760	8-1/2%
	1994	160,000	16,000	144,000	15,200	9-1/2%
	1995	165,000	15,000	150,000	15,750	10%
	1995	265,000	25,000	240,000	25,838	9-3/4%
	1991	203,000	29,000	174,000	17,763	8-3/4%
	1991	21,000	3,000	18,000	1,837	8-3/4%
	1993	45,000	5,000	40,000	3,825	8-1/2%
		<u>933,000</u>	<u>101,000</u>	<u>832,000</u>	<u>86,333</u>	
		<u>\$4,965,919</u>	<u>\$385,000</u>	<u>\$4,580,919</u>	<u>\$493,232</u>	

TOWN OF PORT HAWKESBURY
STATEMENT OF CAPITAL FINANCING
YEAR ENDED DECEMBER 31, 1985

	<u>1985</u>	<u>1984</u>
<u>SOURCE</u>		
Funds available from prior year	\$ 541,250	\$ 653,252
Depreciation funds (1985: net of deferred assistance - \$84)	34,329	34,296
Interest income	36,716	36,983
Tax refunds on capital projects	14,358	2,089
Capital funding revenue (Page 29)		
Federal grants	264,893	434,931
Provincial grants	164,551	168,340
Reserve fund withdrawals	74,769	199,222
Reserve fund borrowings	433,765	18,986
Capital expenditures from revenue	26,252	12,540
Proceeds from disposal of equipment	30,003	
	<u>994,233</u>	<u>834,019</u>
Balance temporarily financed at end of year		
Construction accounts payable	8,041	8,041
Payable to general revenue fund		3,790
Payable to federal government and its agencies		27,351
	<u>8,041</u>	<u>39,182</u>
	<u>\$ 1,628,927</u>	<u>\$ 1,599,821</u>
<u>APPLICATION</u>		
Balance temporarily financed at end of previous year	\$ 39,182	\$ 224,552
Capital asset acquisition	1,036,553	834,019
	<u>1,075,735</u>	<u>1,058,571</u>
Funds available for application		
Cash	553,192	510,121
Receivable from federal government and its agencies		21,480
Receivable from provincial government and its agencies		9,649
	<u>553,192</u>	<u>541,250</u>
	<u>\$ 1,628,927</u>	<u>\$ 1,599,821</u>

<u>Capital Fund Cash</u>	<u>Borrowing from Special Reserve</u>	<u>Special Reserve</u>	<u>1985 General Operations</u>	<u>Strait of Canso Dev. Authority</u>	<u>Trade in Value of Equipment</u>
\$ 42,320	\$ 8,769				\$ 30,003
			\$ 13,897		
			4,173		
			5,716		
	94,907				
	265,707				
	53,742				
		\$ 4,921		\$ 16,479	
		38,130		106,702	
		31,718		38,767	
	10,640				
<u>\$ 42,320</u>	<u>\$ 433,765</u>	<u>\$ 74,769</u>	<u>\$ 23,786</u>	<u>\$ 161,948</u>	<u>\$ 30,003</u>